

NEWS RELEASE

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STATE BOARD OF EDUCATION APPROVES CHANGES TO FINANCIAL EXIGENCY POLICY

The State Board of Education convened a special meeting today to consider changes to their policy on financial exigency, and ultimately took action to approve the revisions. The revised policy provides increased clarification for initiating financial exigency related layoffs, provides clear planning and hearing procedures for Board organizations and employees when responding to a declared financial exigency, and, most notably, establishes new provisions that allow chief executive officers the ability to institute actions other than layoffs in response to a declared financial exigency.

While a declaration of financial exigency is viewed as a measure of last resort, current economic conditions suggest that a review of these policies by the Board is prudent stewardship of Idaho's education system.

"Revenue shortfalls have caused the Board to place a higher priority on reviewing our financial exigency policies; however, there are no plans at this time to actually declare financial exigency, and we sincerely hope we never have to." Blake Hall, Board President.

Board policies related to financial exigency have been in place for many years. Financial exigency is defined by the Board as "a demonstrably bona fide financial crisis that adversely affects an agency, institution or school as a whole, or one (1) or more programs, or other distinct units." Board governed organizations would have to demonstrate a state of "financial crisis" in order for the Board to declare financial exigency.

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